FN1140 – Introduction to Finance

Midterm Formula Sheet

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| Net price | List Price – Amount of Discount |
| **A**mount of discount | **L**ist price x **D**iscount rate |
| Selling Price | Cost + Expenses + Profit |
| Total Cost | Cost of buying + Expenses |
| Sale Price | Regular Selling Price – Discount |
| Rate of Markup (ROM) on Cost | Markup/cost \* 100 |
| Rate of Markup (ROM) on Price | Markup/Selling Price \* 100 |
| Markdown Rate | Markdown / Regular Selling Price |

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| --- | --- |
| Profit | Total Revenue – Total Cost |
| Total Revenue | Selling Price \* Volume |
| Total Cost | Total Fixed Cost + Total Variable Cost |
| Total Variable Cost | Unit Variable Cost \* Volume |
| Total Revenue | Total Fixed Costs + Total Variable Costs + Profit |
| Break Even Volume (in units) | Fixed Costs / Contribution margin per unit |
| Break Even Sales (in dollars) | Fixed Costs / Contribution Rate |
| Contribution margin per unit | selling price per unit – variable cost per unit |
| Total Contribution Margin | Contribution margin per unit \* Volume |
| Contribution Rate | Unit Contribution Margin / Unit Selling Price |
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| Interest (I) | Principal (P) \* Rate ( R ) \* Time ( T ) |
| Future Value (S) | P(1 + rt) |
| Present Value (P) | S/(1+rt) |
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